



Federal Energy Services

CORPORATE BACKGROUND:

Energy Systems Group, LLC (ESG), headquartered in Evansville Indiana, is a full service energy services contractor pre-qualified by the Departments of Energy and Defense (DOE/DOD). ESG has also been accredited by the National Association of Energy Service Contractors (NAESCO) and is a member of the EPA's Energy Star Building Partnership. Federal awards have included the Vice President's "HAMMER AWARD" for setting new standards of excellence for Federal Clients and the Veterans Affairs "Scissors Award" for cutting red tape in project development for VA clients.

ESG has developed more than 80 energy projects valued at over \$250 million in six (6) mid-western states since start-up in 1994, \$50 million with the Federal Government. Visit www.energysg.com for more details.

ENERGY EFFICIENCY PROJECTS:

ESG services range from basic professional consultant services, to developing complete packages for clients that include: **design – finance – construct – manage – guarantee** functions as well as third-party, independent measurement, monitoring and verification programs for clients. ESG's unique reputation for creating needs-based engineered solutions is highlighted by the variety of disciplines we use for our clients, such as:

- Lighting
- Controls
- Water/Sewer – Domestic/Industrial
- Heating & Air Conditioning
- Chiller Plants
- Boiler Plants
- Power Marketing
- Thermal Storage Systems
- Distributed Generation
- Cogeneration Systems
- Ownership/Operations of Utility Plants
- Communications Infrastructure
- Biomass Applications
- Web-based Energy Management Systems

FUNDED WITH PRIVATE SECTOR INVESTMENT:

Each Federal Market served by ESG requires a unique approach to project development. To expedite project development for Federal clients, ESG utilizes established procurement procedures to enhance and accelerate "**Efficient Facilities Initiatives**" at Federal Facilities. They include:

Area-Wide Contracts with Utilities	GSA Federal Supply Schedules
Federal Enhanced-Use Lease Programs	Technology Specific Super ESPC
Facility Use Agreements	Standard RFQ/RFP Solicitations

ESG POINT OF CONTACT:

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Customer Profile: James H. Quillen VA Medical Center

Contact: Carl J. Gerber, M.D., Ph.D.
Medical Center Director/CEO
(423) 979-3590

Address: VA Medical Center
Mountain Home, TN 37684



<i>Customer Description</i>	James H. Quillen is a VA Medical Center with hospital, continuing care, and nursing home facilities occupying 38 buildings on 100 acres of land. They also lease 31 acres to the James H. Quillen College of Medicine, at East Tennessee State University.	
<i>Type of Procurement</i>	Enhanced-Use Lease	
<i>Work Implemented</i>	Construction of a new 3.2 MW Energy Center to provide electricity, steam, and chilled water for the VA and chilled water and steam for the East Tennessee State University Medical School.. The Energy Center includes: one primary 3.2 MW Engine Generator; two peaking power/backup Engine Generators, Heat Recovery Steam Generator, one 1000-ton Absorption Chiller, three 1300-ton Centrifugal Chillers, 623,000-gallon thermal storage tank, cooling tower, control systems, and modifications to existing boilers. ESG will operate and maintain the Energy Center for 24 years. Efficient Facilities Initiatives installed include lighting, HVAC modifications, control upgrades, removing some buildings from steam heat, adding cooling in buildings, insulation and occupancy sensors.	
<i>Services</i>	ESG provided engineering, design, project management, financing, operations and maintenance. Subcontractors were involved in the installation of the Efficient Facilities Initiatives.	
<i>Project Cost</i>	\$ 27,038,000	
<i>Project Financed</i>	ESG arranged financing by issuing MBIA Insured Bonds.	
<i>Savings</i>	Annual Energy Savings:	\$614,000
	Annual Operational Savings:	\$200,000
	Capital Avoidance:	\$30,000,000
<i>Construction</i>	Start: December 1999	End: June 2001